(a) whether it is a fact that inspite of having almost same ingredients, different pharmaceutical companies are selling their drugs at different rates by using their brand names;

(b) whether it is also a fact that doctors prescribe costly branded drugs in order to get more commission, which causes exploitation of patients; and

(c) whether Government will make arrangement to sell the drugs by its generic name instead of brand names?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) Under the provisions of the Drugs (Price Control) Order, 1995, the prices of 74 bulk drugs and the formulations containing any of these scheduled drugs are controlled. The Government / NPPA fixes / revises their prices from time to time as per formula provided under DPCO.

As per the DPCO '95 every manufacturer or importer shall carry into effect the price of a bulk drugs or formulation as the case may be, as fixed by the Government from time to time, within fifteen days from the date of notification in the official Gazette or receipt of the order of the Government in this behalf by such manufacturer or importer.

In respect of drugs, which are not covered under prices control (non-scheduled formulations), the manufacturers are free to fix the prices by themselves without seeking approval of Government / NPPA. Prices of Non-Scheduled formulations are fixed by the manufacturer themselves considering the various factors like cost of production, marketing/ selling expenses, R & D expenses, trade commission, market competition, product innovation, product quality etc. In some cases it is observed that companies are selling different brands at different rates. There is no provision in DPCO, 95 to restrict different prices for different brands in case of non-scheduled formulations.

(b) and (c) Government is committed to promote the use of generic medicines instead of branded medicines. In this directions Government has decided to open "Jan Aushadhi" generic drug stores in the country depending upon the financial assistance and other support offered by respective State Governments to sell the medicines by their generic names instead of brand names. Government has already inaugurated a 'Jan Aushadhi' generic drug store at civil hospital, Amritsar on 25.11.2008. Prices of generic medicines will be cheaper in comparison of branded medicines.

Package for pharmaceutical industry

1281. SHRI VIJAY KUMAR RUPANI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that pharmaceutical industry is facing financial crunch due to duel marketing;

(b) if so, whether Government proposes any financial package/incentive to revive the small scale pharmaceutical industry; and

(c) if not, the reasons therefor?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a)and (b) In the light of the present global financial crisis, the Government has announced on 7th December,

2008 specific measures to support the Micro, Small and Medium Enterprises under sector (MSME) including Pharmaceuticals MSME sector.

(c) In view of reply to part (a) and (b) above, does not arise.

New fertilizer policy

1282. SHRI S.S. AHLUWALIA : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether a new fertilizer policy has come into force sometime in June, 2008;

(b) if so, the salient features thereof and the distinction thereof from the old policy;

(c) whether substantial additional subsidy liability has accrued consequent to the new policy, over and above estimated in the annual budget for 2008-09;

(d) if so, the details thereof;

(e) the rationale behind creating additional liability in the context of increased benefit it would accrue, if any, to marginal, small and medium farmers across the country; and

(f) the details of those who would be recipients of the largest share of the subsidy when disbursed?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) Yes, Sir. A policy for nutrient based pricing of fertilizers was announced in June, 2008.

(b) The Nutrient based pricing of fertilizers lays down the MRPs of subsidized fertilizers based on nutrient contents therein. The price of nutrients across all subsidized fertilizer products is same under the new policy as compared to old policy under which the price of nutrients in complex fertilizers was more than that in the straight fertilizers like Urea, DAP and MOP. Under the new policy the nutrient price in complexes has also been reduced to that prevailing in the straight fertilizers leading to reduction in the selling prices of the complex fertilizers.

(c) to (f) Yes, the new policy has led to additional subsidy liability due to reduction in the price of the complex fertilizers. The additional liability is expected to be around Rs. 1000 crore in 2008-09. However, the same will depend upon actual sale of complex fertilizers in the country.

The rationale behind the policy has been to encourage usage of complex fertilizers as compared to straight fertilizers so as to promote balanced fertilization. The benefit of the additional subsidy will accrue to the farmers who will be applying complex fertilizers in their fields.

Use of dangerous chemicals for making pesticides

†1283. SHRI MOTILAL VORA:
MS SUSHILE TIRIYA:
Will the Minister of CHEMICAILS AND FERTILIZERS be pleased to state:

†Original notice of the question was received in Hindi